

TRANSMITTAL # 2

MEMORANDUM

October 3, 2007

TO: Workforce Development Council

FROM: Roger B. Madsen, Director 

SUBJECT: Investments in Incumbent Worker Training – Legislative Proposal

ACTION REQUESTED: Endorsement of appropriation and approval to utilize the council to develop guidelines for an incumbent worker training program linked with key regional industries and labor markets

BACKGROUND:

In 2006, the Idaho Legislature appropriated \$2 million for a revolving loan fund that allowed employers to borrow funding to train truck drivers and nurses. In 2007, this amount was reduced to \$1 million. Employers have not found this to be a viable model, although training in high demand, high wage occupations remains a growing and critical need. The Idaho Department of Labor is seeking approval to re-appropriate the funds for a grant program to generate cutting edge skills needed by employers while promoting opportunities and advancement for workers and job seekers. The program, to be named the Incumbent Worker Training Fund, would offer grants to employers to match their investment in training for their workforce to prepare for high wage jobs currently experiencing a worker shortage.

Idaho continues to develop initiatives to build a workforce system that is responsive and can meet the skill needs of employers, expand opportunity and security for workers and boost the competitive position of the business community. Idaho's prosperity is dependent upon the strength of its workforce. Governor Otter recognizes the need to have workforce and economic development practitioners and the educational and training community work together to effectively and efficiently serve the needs of employees and employers.

Governor Otter's administration is committed to implementing an integrated and comprehensive workforce development agenda that is anchored in the creation of effective processes for ongoing communication with regional partners in business, education and workforce systems to inform decision-making.

Staff Recommendation:

Staff recommend the council issue the following recommendation:

1. Endorse the department's request to seek legislative approval to re-appropriate the existing Truck Driver Nursing Incumbent Worker Revolving Loan Fund to establish an Incumbent Worker Training Fund program.
2. Target Incumbent Worker Training Fund programs to high priority occupations within established or emerging regional industry clusters.
3. Identify council members to serve on a committee to develop and establish program guidelines and grant requirements for funding.

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